

**DEPARTMENT OF STATE REVENUE**

**LETTER OF FINDINGS NUMBER: 02-0492P  
Adjusted Gross Income Tax  
For Calendar Year Ended December 31, 2000**

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**ISSUE(S)**

**I. Tax Administration – Penalty**

**Authority:** IC 6-8.1-10-2.1(d); 45 IAC 15-11-2

Taxpayer protests the penalty assessed.

**STATEMENT OF FACTS**

Taxpayer protests the proposed penalty assessment for the late payment of its income tax. The due date of the return was April 15, 2001. Taxpayer filed its return late on October 10, 2001 with payment of sixty-one percent (61%) of its tax liability. The Department issued its late payment assessment on January 2, 2002.

Taxpayer filed a penalty protest letter dated January 18, 2002. Taxpayer states that its CPA firm did not advise that it would have a tax liability until almost the end of the extension period. It had anticipated a zero liability on all of its 2000 returns.

**I. Tax Administration – Penalty**

**DISCUSSION**

Taxpayer protests the penalty assessed and states that it did not become apparent that significant tax liabilities would be due for Indiana until it filed its return.

Taxpayer did not make payment by the original due date of the return as required under IC 6-8.1-10-2.1 (a)(2). The penalty is ten percent (10%) of the amount of the tax not paid, if the person fails to pay the full amount of tax shown on the person's return on or before the due date for the return or payment.

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Taxpayer made payment after the due date of the return and has not provided reasonable cause to allow the Department to waive the penalty.

**FINDING**

Taxpayer's protest is denied.

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